

## **FISCAL NOTE**

### **HB 243 - SB 1784**

March 9, 2001

#### **SUMMARY OF BILL:**

- Requires watercraft over 16 feet in length not primarily used for fishing to be titled.
- Specifies that owners of watercraft on the effective date of the bill are required to apply for a certificate of title upon renewal of registration for the watercraft.
- Provides for watercraft dealers to apply for titles on behalf of purchasers and for the transfer of titles from one owner to another.
- Provides for the Department of Safety to note liens on watercraft on the certificates of title.
- Requires the inclusion of a permanent hull identification number on all watercraft and provides for the TWRA to affix an assigned number on watercraft not already bearing such number.
- Specifies that the state would receive \$3.50 for issuing a certificate of title, \$3.50 for noting new liens on a title, \$3.50 for issuing a duplicate certificate, and \$3.50 for issuing a new title in cases where the hull identification number has been removed.
- Specifies that county clerks would receive \$4.50 for processing title applications and \$3.00 for issuing duplicate certificates.
- Specifies certain offenses related to titling of watercraft as Class C misdemeanors, Class B misdemeanors, and Class E felonies.

#### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues - \$262,500 Recurring  
\$490,000 One-Time**

**Increase State Expenditures - \$178,150 Recurring  
\$242,000 One-Time  
\$4,600 / Incarceration\***

**Increase Local Govt. Revenues - \$202,500 Recurring  
\$630,000 One-Time**

**Increase Local Govt. Expenditures - Not Significant**

Estimate assumes:

- there are approximately 350,000 watercraft registered in Tennessee.
- approximately 140,000 of these would require a title under the provisions of the bill or a title would be required by an insurance company or lienholder.
- approximately 35,000 new watercraft are purchased annually of which 25,000 would be titled.

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- approximately 30,000 watercraft change ownership annually, of which 10,000 would be titled.
- approximately 15,000 duplicate titles will be issued annually.
- approximately 25,000 liens will be noted annually.
- an increase in state expenditures for 8 positions in the Department of Safety to process watercraft titles with salary and benefits of \$160,450.
- recurring expenditures related to the new positions for office space and supplies of \$17,700.
- one-time expenditures related to the new positions for office furniture and equipment of \$42,000 and motor vehicle computer system costs of \$200,000.
- one conviction annually for a felony offense under the provisions of the bill.
- impact of misdemeanor offenses on local governments depends upon the number of persons convicted of the offenses and the resulting increased cost to local governments to confine such persons versus the increased revenues to local governments from fines levied and collected under the provisions of this bill.
- a not significant increase in local government expenditures may occur from applications for watercraft titles being accepted by county clerk offices.

**CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James A. Davenport". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

James A. Davenport, Executive Director